Market Research Memo. Paper instructions: Instructions You are a real estate analyst employed by a local real estate developer. This developer is considering the purchase and redevelopment of a site for a small retail center that will likely have a coffee shop, nail salon, and at least one health-related tenant and apartments above. Several different areas have been changing, and your employer thinks it may be a good time to invest in one of them. Your assignment is to gather the data in order to make this investment decision. The market research assignment is a written analysis that also includes uploading your research files to the submission folder. You will use Site to Do Business to conduct market research on two sites and share your insights in your memo. Detailed instructions are below and you may want to print this. Assignment: You will research two sites. Enter both sites into STDB; compare and contrast them in a written memo to your investment committee regarding your recommendation for investment. Upload your STDB reports to the Submission folder along with your memo. 1. LOCATIONS. Two potential sites have been suggested and you have been asked to gather information for both and prepare a memo that compares and contrast both sites for potential acquisition and development. Site 1: you already chose a site for your group discussion, so you will use that again for this assignment. If you want to choose another location, please contact your instructor to discuss prior to submitting this assignment. Site 2: you have learned of a land parcel in Albany Park, a neighborhood on the North side of Chicago. The parcel is located at the northwest corner of Lawrence and Kimball and is currently developed as a bank property. This property is zoned B-3 for "community shopping district" and it also allows for residential dwelling units at or above the ground floor. You can use 3400 West Lawrence as the address. NOTE: Students are allowed to work in pairs. If you choose to do this, then you will NOT use Site 2 above. Instead, you will use the two locations you both chose for your group discussion. 2. GEOGRAPHIC BOUNDARIES. Normally after selecting an address, a researcher will then select a geographic boundary which could be concentric rings, drive times, walk times, or even creating specific boundary manually. For this assignment, you should use the 1-mile radius for both sites. 3. REPORTS. You should make PDF copies of any STDB report you used so that you can upload them to the submission folder. There are many reports to choose from, but make sure you run at least these: Site Map: this is self-explanatory, a map of both areas. Community Profile: this contains most of the basic demographic data you will be looking for. Take a look at the sample report for 900 N Franklin and look for the highlighted sections to see what to focus on and how to populate the data table. Feel free to add more data points than what is required in the attached data table. Retail Demand Outlook: this shows a forecast of the dollar spending by retail category. It also contains a list of the top 5 tapestry segments. How does spending compare at the two sites? Which one is higher and/or has a higher forecast? Retail Market Potential: this contains a list of retail products and behaviors with estimates of the likelihood that households will spend more or less than the national average. Does one of your sites have higher MPI for various categories, such as shopped at a convenience store, bought brewed coffee, or exercised at a club? Tapestry Segmentation Reports: this will provide you with a list of the dominant segments in your area and their respective percentage of the population. Each segment name is actually a hyperlink to a 3-page report that summarizes the characteristics of that segment. You should save a copy of the top 3 tapestry segment reports to upload. Take a look at the report I posted for the Metro Renters segment as an example. I have highlighted some of the sections that you can use for your description in your memo. 4. WRITTEN MEMO. You are to write a business memo outlining your market research findings on both sites and making a recommendation to acquire one of them. This memo should include a data comparison table (see below for details). Your memo should be roughly 3 pages, including the data table. This is a memo, not a college essay. Do not double space. It should contain the typical format of a memo (To:, From:, Date:) and you can find examples of this online. In your analysis you should describe the demographic trends of both sites. What similarities and/or differences did you find between them and compared to national averages? Describe your findings and include comments on what you found surprising or intriguing. Describe the characteristics of the top tapestry segments. Who are these people? What do they like/dislike? You can find detailed information on each tapestry segment on STDB and an example is posted to this week's module. Given that your company can only acquire one site, which one would you recommend, based on your market research? Why do you recommend it? Please review the attached Grading Rubric to see what is expected for a top grade. This grading rubric might also help you to organize your memo into sections. There is also a sample market research analysis that a student created for a different class--note that is from a different class so it does not follow the requirements of this class. But it is a good example of the how to summarize demographic data. You can find a data table in the market research module. You need to populate and include this table in your memo for a side-by-side comparison of the two neighborhoods and the U.S. Feel free to add more data to this table, such as retail expenditures or anything else that you find compelling in STDB. Be sure to paste this table (or create your own) in your memo. Looking at averages and growth rates for the U.S. vs your sites is often more important than comparing raw numbers. Does it matter that there are over 300 million people in the nation? Not really, but looking at growth rates does tell a story. Are the characteristics of the 1-mile population in your two sites similar to each other? Are they growing faster or slower than the U.S. as a whole? Is household size similar? What about educational attainment and income levels? For the Tapestry Segments, identify the top 3 segments by name and their respective percent of the population within the trade area for each site. For example, Metro Renters is the top tapestry for 900 N Franklin and it accounts for 53.3% of the population within a mile of that address. The largest tapestry segment for the entire U.S. is Green Acres and it is only 3.2% of the nation's population. How do the various data points, including tapestry segments, compare for the U.S. and the two sites? I have posted some sample report from STDB reports for 900 N Franklin and shaded some of the data points so you can see exactly what information you need to extract from STDB in order to populate the table. Do NOT use 900 N Franklin as one of the sites for this assignment. You can also find detailed instructions for how to log into STDB and run reports. Don't forget to upload all of your STDB reports as PDF files to the submission folder.